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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/964,133	09/25/2001	William Stevens Taber JR.	20162-000310US	1723
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MORGAN, LEWIS & BOCKIUS LLP (SF), 2 PALO ALTO SQUARE 3000 El Camino Real, Suite 700 PALO ALTO, CA 94306			EXAMINER BORISSOV, IGOR N	
			ART UNIT	PAPER NUMBER
			3639	

DATE MAILED: 11/22/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/964,133

Applicant(s)

TABER, WILLIAM STEVENS

Examiner

Igor Borissov

Art Unit

3639

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 15 September 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1 and 3-23 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1 and 3-23 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Response to Amendment

Amendment received on 9/15/2005 is acknowledged and entered. Claim 2 has previously been canceled. Claim 1 has been amended. Claims 1 and 3-23 are currently pending in the application.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1, 3-12 and 16-21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pilugin: "No Wasted Energy" in view of Yablonowski et al. (US 6,535,859).

Pilugin's "No Wasted Energy" (Publication), which appears to be published in January 1985, discloses a method for conserving energy and a marketing plan that conserves capital, comprising:

As per claim 1,

procuring by an implementing entity (North Atlantic Technologies Inc.) a heat-exchanger system which allows to save energy from a supplier of said system (Page 2, 4th paragraph);

installing by said implementing entity said heat-exchanger system at multiple end user sites at no cost to said end user (Page 3, 4th paragraph; Page 2, 2nd paragraph; "climbing sales" indicate multiple end user sites); and

selling by said implementing entity said conserved energy to said end users at a rate 30 percent below that paid for the primary energy source (Page 3, 4th paragraph), wherein selling said conserved energy indicates measuring of said conserved energy.

Publication does not specifically teach auditing by said implementing entity of energy using equipment at multiple end user sites to identify equipment that is a candidate for replacement; and that said deployment of said equipment at said multiple end user sites is performed in a coordinated manner.

Yablonowski et al. (Yablonowski) teaches a method for maintaining lighting systems and for monitoring energy consumption of the lighting systems, comprising:

auditing by implementing entity (said entity comprising an engineering firm, a contractor, a wholesale fixture company, and a lighting service company) energy saving equipment at multiple end user sites to determine whether the end user's facilities fall within the guidelines of the program, and to determine the financial feasibility of the project (column 6, lines 24-30, 55-56);

providing and deploying by said implementing entity said energy efficient equipment at no cost to said end users (column 7, lines 9-11);

measuring by said implementing entity of said saved energy at said sites using a method of measurement agreed upon by said end users and said implementing agency (column 7, lines 25-26, 42-63).

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Publication to include auditing by said implementing entity of energy using equipment at multiple end user sites, as disclosed in Yablonowski, because it would advantageously allowed to identify the most feasible projects thereby maximize future revenue. And the motivation to combine Publication and Yablonowski to include that said deployment of said equipment at said multiple end user sites is performed in a coordinated manner, as disclosed in Yablonowski, would be to advantageously realize said estimated profit margin in the real project, thereby maximizing revenue.

As per claim 3, Yablonowski teaches said method wherein said procurement incorporates performance specifications for energy efficiency into terms governing said procurement (column 6, lines 24-65). The motivation to combine the references would be to ensure realization of the project in compliance with conducted feasibility analysis, thereby guaranteeing the estimated margin of profit.

As per claim 4, Publication teaches procuring a service pertinent to said deployment of energy efficient equipment and sale of said saved energy, wherein said service is equipment installation (Page 3, 4th paragraph).

As per claim 5, Yablonowski teaches said method wherein said service is procured separately for each equipment type (column 6, lines 24-65). The motivation to combine the references would be to ensure realization of the project in compliance with conducted feasibility analysis, thereby guaranteeing the estimated margin of profit.

As per claim 6, Publication in view of Yablonowski teaches all the limitations of claim 6, expect that auditing is performed by an auditor specializing in evaluating the potential energy saving for a selected type of said energy saving equipment rather than a generalist energy auditor.

Official notice is taken that it is old and well known that auditing is performed by an auditor specializing in his task rather than a person having general knowledge of the art.

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Publication and Yablonowski to include that auditing is performed by an auditor specializing in evaluating the potential energy saving for a selected type of said energy saving equipment rather than a generalist energy auditor, because it would advantageously minimize possible mistakes in auditing, thereby minimizing potential financial losses.

As per claims 7, Yablonowski teaches said method, wherein actual cost, rather than estimated cost, of said energy saving equipment is utilized to project financial feasibility for said deployment by said implementing entity (column 6, lines 24 – column 7, line 26; column 7, lines 42-63). The motivation to combine Publication with Yablonowski would be to enhance accuracy of calculating feasibility of the project, thereby minimize financial losses.

As per claims 8 and 9, Yablonowski teach said method wherein actual energy saving, rather than estimated energy saving, of said energy saving equipment is utilized to project financial feasibility for said deployment by said implementing entity (column 7, lines 25-29).

As per claim 10, Yablonowski teach said method, further comprising methods to reduce financial risk to said implementing entity (column 6, lines 24-29, 54-56). The motivation to combine Publication with Yablonowski would be to minimize financial losses.

As per claim 11, Yablonowski teaches said method, wherein said procurement is performed in a volume sufficient to increase profit of said sale of saved energy to a preselected amount (column 6, lines 54-56). The motivation to combine Publication with Yablonowski would be to keep business profitable.

As per claim 12, Yablonowski teaches said method, wherein said procurement is performed in a volume sufficient to provide said implementing entity access to financing (column 6, lines 54-65). The motivation to combine Publication with Yablonowski would be to keep business profitable.

As per claims 16-17, Yablonowski teaches said method, wherein an energy utility company provides an incentive to undertake said procurement, said deployment and combinations thereof (column 1, lines 25-28). The motivation to combine the references would be to decrease pollution associated with generation of energy.

As per claim 18, Yablonowski teaches said method, wherein said procurement and deployment improves reliability and quality of the energy using equipment (column 7, lines 6-10). The motivation to combine the references would be to decrease cost associated with maintenance and repair of equipment.

As per claim 19, Yablonowski teaches said method, wherein the improvement is judged by saving of energy cost (column 7, lines 25-29).

As per claim 20, Publication teaches said method, wherein the compensation for said sale of saved energy is received from said end user per unit of energy saved (Page 3, 4th paragraph).

As per claim 21, Yablonowski teaches said method, wherein more than one type of energy saving equipment is acquired (column 7, lines 6-8).

Claims 13 and 14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Publication in view of Yablonowski and further in view of Adams et al. (US 6,154,730).

As per claims 13 and 14, Publication in view of Yablonowski teach all the limitations of claims 13 and 14, except that mode of financing is credit enhancement.

Adams et al. (Adams) teaches a method for facility-based financing, wherein credit financing is utilized (column 4, lines 9-12).

It would have been obvious to one having ordinary skill in art the time the invention was made to modify Publication and Yablonowski to include that mode of financing is credit enhancement, as disclosed in Adams, because it would advantageously simplify financing of the project by avoiding spending personal funds.

Claim 15 is rejected under 35 U.S.C. 103(a) as being unpatentable over Publication in view of Yablonowski and further in view of King (US 6,148,293).

As per claim 15, Publication in view of Yablonowski teach all the limitations of claim 15, except that mode of financing includes tax-exempt, floating rate.

King teaches a method and system for creating a financial instrument and administering an adjustable rate loan system, wherein tax-exempt, floating rate is employed (column 6, lines 11-40; column 17, lines 16-26).

It would have been obvious to one having ordinary skill in art the time the invention was made to modify Publication and Yablonowski to include that mode of financing includes tax-exempt, floating rate, as disclosed in King, because without indicating in the specification the advantage of using said tax-exempt floating rate financial instrument, it appears that use of said tax-exempt floating rate mode of financing is an obvious variation of any available financing mechanism.

Claim 22 is rejected under 35 U.S.C. 103(a) as being unpatentable over Publication in view of Yablonowski and further in view of Wallman (US 6,360,210).

As per claim 22, Publication in view of Yablonowski teach all the limitations of claim 22, except that risk of inadequate energy saving equipment performance is undertaken by a party other than said implementing entity or said end user.

Wallman teaches a method and system for enabling smaller investors to manage risk in a self-managed portfolio of assets, wherein a risk for a given project (portfolio) can be transferred to a third party (column 5, line 64 – column 6, line 8).

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Publication and Yablonowski to include that risk of inadequate energy saving equipment performance is undertaken by a third party, as disclosed in Wallman, because it would advantageously stimulate the installation party to expand their business to replace the old equipment with more energy efficient equipment, thereby increase revenue.

Claim 23 is rejected under 35 U.S.C. 103(a) as being unpatentable over Publication in view of Yablonowski and further in view of Johnson (US 6,169,979).

As per claim 23, Publication in view of Yablonowski teach all the limitations of claim 23, except using environmental rebates to stimulate end users to replace the old equipment with more energy efficient equipment.

Johnson teaches a computer-assisted method and system for utilities, wherein environmental rebates are employed (column 5, lines 1-21).

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Publication and Yablonowski to include using environmental rebates to stimulate end users to replace the old equipment with more energy efficient equipment, as disclosed in Johnson, because it would advantageously provide the financial incentives for the end users to reduce pollution and contamination of the environment.

Response to Arguments

Applicant's arguments filed on 9/15/05 have been fully considered but they are not persuasive.

In response to the applicant's argument that the prior art does not disclose deployment of energy efficient equipment at *multiple* end users sites, it is noted that

Publication explicitly teach said feature. Specifically, Page 2, 2nd paragraph of Publication teaches: "Already, sales have climbed from \$570,000 in 1983 to an estimated \$3 million in 1984, and anticipated joint venture should combine with overseas licensing agreements to boost that figure considerably this year".

Furthermore, Yablonowski also teaches said feature: "Since the LCU 10 provides for power reduction and thus costs savings to facilities, the LCU 10 is preferably used with the service program to attract potential customers, for example owners or managers of facilities with lightning systems, i.e., end users" (column 5, lines 61-65).

In response to the applicant's argument that the prior art does not disclose the *coordination* of the elements of the procurement and deployment of the energy efficient equipment across multiple end users, the examiner points out that Yablonowski explicitly teach said feature. Specifically, Yablonowski teaches conducting pre-qualification of potential customers, collecting technical and financial data from said potential customers, analyzing said data to assess financial feasibility of each project for each customer (column 6, lines 25-56).

In response to applicant's argument that there is no suggestion to combine the references, because Yablonowski teaches *charging fee for installation* of energy efficient equipment, while Publication teaches free installation, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992).

First, the examiner stipulates that Yablonowski explicitly teaches *free installation* of said energy efficient equipment: "The service providers typically install the LCU and upgrade the facilities lightning system at no cost" (column 7, lines 9-11).

Second, both references relate to free installation of energy efficient equipment at multiple end users sites, and generating the revenue based on utilization of energy saved. The motivation to modify Publication to include auditing by said implementing entity of energy using equipment at multiple end user sites would be to advantageously identify the most feasible projects thereby maximize future revenue. And the motivation to combine Publication and Yablonowski to include that said deployment of said equipment at said multiple end user sites is performed in a coordinated manner would be to advantageously realize said estimated profit margin in the real project, thereby maximizing revenue.

In response to applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971).

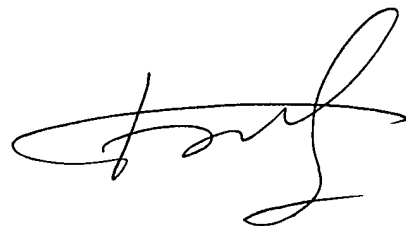
The examiner maintains, that both Publication and Yablonowski pertain to same field of endeavor, and careful approach to realization of the project, disclosed in Yablonowski, including auditing by said implementing entity of energy using equipment at multiple end user sites to identify equipment that is a candidate for replacement, and conducting the financial feasibility of the project, would advantageously ensure future profits of Publication's method.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Igor Borissov whose telephone number is 571-272-6801. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Hayes can be reached on 571-272-6708. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Igor Borissov
Patent Examiner
Art Unit 3639

A handwritten signature in black ink, appearing to read 'Igor Borissov', with a large, stylized loop at the end.

IB

11/17/2005